



## **Future Direction on Organizational and Operational Efficiencies**



# Governor's Direction Going Forward

## Organizational analysis:

- **Flattening organizational structure to increase efficiency**
- **Span of control review & consistency across WMDs**
- **Ongoing review of staffing levels**



# Governor's Direction Going Forward

## Personnel/Salary Analysis:

- **Consistency between WMDs**
  - Terminology
  - Benefit levels
  - Salary structure



# Governor's Direction Going Forward

## Operating Capital Outlay:

- Vehicle replacement benchmarks
- Lease vs. Buy
- Vehicle & aircraft maintenance
- Computer/equipment replacement benchmarks



# Governor's Direction Going Forward

- Consistent and coordinated strategies and level of service for management of lands
- Prioritization of land acquisition & surplus
- Consistent definitions for reserves & fund balances
- Benchmarks for budget stabilization/operating reserves





# Governor's Direction Going Forward

## Benefits Analysis:

- Evaluate savings opportunities by aggregating health insurance/benefit plans
- Tuition Reimbursement program consistency



## HEALTHCARE BENEFITS OVERVIEW



# Overview

## Today's Presentation:

- District benefit designs as they compare to State and other Water Management Districts
- Potential cost savings:
  - Co-payments
  - Coinsurances
  - Deductibles
  - Out of pocket maximums
- Rate Restructuring





# Network (HMO) Plan Design Comparison

BENEFIT	South Florida (SFWMD)	STATE	St. Johns River (SJRWMD)	Southwest (SWFWMD)
Annual Deductible	\$0 individual \$0 family	\$0 individual \$0 family	\$250 individual \$500 family	HMO  Not  Offered
Office Visits:				
Primary Care	\$20 visit	\$20 visit	\$15 visit	
Specialist	\$20 visit	\$40 visit	\$25 visit	
Hospital Stay	\$0	\$250	\$50	



# Network (HMO) Plan Design Comparison

	SFWMD		STATE	
Monthly Rates:	District	Employee	State	Employee
Employee Only	\$425.56	\$0	\$499.80	\$50.00
Employee + Spouse	n/a	n/a	\$1,243.32	\$30.00
Employee + 1 Dependent	\$823.92	265.56	n/a	n/a
Employee + Family	\$833.32	\$271.82	\$1,063.34	\$180.00

	SJRWMD		SWFWMD	
Monthly Rates:	District	Employee	District	Employee
Employee Only	\$380.25	\$50.20	HMO	
Employee + Spouse	n/a	n/a	Not	
Employee + 1 Dependent	n/a	n/a	Offered	
Employee + Family	\$905.38	\$247.76		



# PPO Plan Design Comparison

BENEFIT	SFWMD	STATE	SJRWMD	SWFWMD
Annual Deductible	\$0 individual \$0 family	\$250 individual \$500 family	\$300 individual \$900 family	\$500 individual \$1,500 family
Office Visits:				
Primary Care	\$20 visit	\$20 visit	\$20 visit	\$20 visit
Specialist	\$20 visit	\$40 visit	Deductible + 20%	\$30 visit
Hospital Stay	\$0 + 20%	\$250 + 20%	Deductible + 20%	Deductible + 20%
Out of Pocket Maximum	\$1,500 ind. \$3,000 family	\$2,500 ind. \$5,000 family	\$2,500 ind. \$7,500 family	\$1,500 ind. \$4,500 family



# PPO Medical Plan Cost Comparison

	SFWMD		STATE	
Monthly Rates:	District	Employee	State	Employee
Employee Only	\$655.44	\$57.00	\$499.80	\$50.00
Employee + Spouse	n/a	n/a	\$1,243.32	\$30.00
Employee + 1 Dependent	\$1,270.88	\$372.30	n/a	n/a
Employee + Family	\$1,308.68	\$397.50	\$1,063.34	\$180.00

	SJRWMD		SWFWMD	
Monthly Rates:	District	Employee	District	Employee
Employee Only	\$380.24	\$42.24	\$499.80	\$65.73
Employee + Spouse	n/a	n/a	\$748.20	\$249.40
Employee + 1 Dependent	n/a	n/a	n/a	n/a
Employee + Family	\$904.98	\$226.34	\$821.98	\$274.00





# Vision and Dental Plans

## ■ Vision

- Self-insured plan is fully funded by employee contributions for dependent coverages
- Re-structure current rates to reflect employee only contributions as well as dependent – consistent with State structure

## ■ Dental – HMO

- Fully-insured plan; rates are set by provider to cover full cost of the program. District pays employee cost.
- Projected rate increase for 2012 is 3.5% which calculates to \$1 - \$3 per month increase



# PPO Dental Plan

## ■ PPO Dental

- Plan is self-insured; only one Plan offered
- Employee cost paid by District
- Claims are projected to cost \$1.3 million
- State offers four PPO Dental Plans
- For comparative purposes:
  - District's PPO Plan is similar to the State's Indemnity/PPO2 Plan
  - Both cover services in and out of network; however, a network dentist reduces out of pocket costs to employee.



# Dental PPO Plan Cost Comparison

	SFWMD		STATE (Indemnity/PPO2 Plan)	
Monthly Rates:	District	Employee	State	Employee
Employee Only	\$70.04	\$0	\$0	\$41.48
Employee + Spouse	n/a	n/a	\$0	\$79.63
Employee + 1 Dep.	\$109.42	\$25.78	\$0	\$93.84
Employee + Family	\$140.52	\$46.50	\$0	\$124.14

Monthly Rates to fund 100%:	District	Employee
Employee Only	\$0	\$50
Employee + Spouse	\$0	\$75
Employee + 1 Dep.	\$0	\$66
Employee + Family	\$0	\$110



# Projected Cost Savings

## District Modifications to State Plans:

## Projected Savings:

■ Employee Contributions – Medical HMO (employees currently do not contribute)	\$346,000
■ HMO Plan Modifications	\$523,000
■ PPO Plan Modifications	\$591,000
■ PPO Combine Deductible Out-of-Pocket	\$220,000
■ Employee Contributions – Dental PPO	\$933,000

**TOTAL PROJECTED SAVINGS**

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**\$2,613,000**





# Key Dates for 2012 Plan Year

- **Open Enrollment meetings for employees** **October 17 thru November 16**
- **Benefit Plan Year 2012** **January 1 thru December 31**

# Discussion and Guidance